

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

Competitive Product Prices  
International Merchandise Return Service Agreements  
with Foreign Postal Operators  
Non-Published Rates

Docket No. MC2016-94

Competitive Product Prices  
International Merchandise Return Service Agreements  
with Foreign Postal Operators  
Non-Published Rates 2 (MC2016-94)

Docket No. CP2016-119

CHAIRMAN'S INFORMATION REQUEST NO. 1

(Issued March 11, 2016)

To clarify the Postal Service's request to add Competitive International Merchandise Return Service Agreements with Foreign Postal Operators 2 (IMRS-FPO 2) to the Mail Classification Schedule's competitive product list,<sup>1</sup> the Postal Service is requested to provide written responses to the following questions, which refer to the IMRS-FPO 2 Model Agreement. See Request, Attachment 5; see *a/so* Docket Nos. MC2015-68 and CP2015-99 (concerning Foreign Postal Operators 1 (IMRS-FPO 1)). Answers to each question and, if applicable, an amended Model Agreement, should be provided as soon as they are developed, but no later than March 16, 2016.

1. Does the Postal Service object to filing an amended Model Agreement with the following revisions (a-f)? If not, please file an amended Model Agreement with your response. If so, please explain the basis for the objection.

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<sup>1</sup> Request of the United States Postal Service to Add Competitive International Merchandise Return Service Agreements with Foreign Postal Operators 2 (IMRS-FPO 2) Product to the Competitive Products List and Notice of Filing IMRS-FPO 2 Model Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, March 8, 2016 (Request).

- a. Deleting “(3)” or including the missing clause (2) in Article 3, which states that “[t]he Parties agree that this Agreement shall come into effect (1) after all such approvals have been obtained by USPS and (2) (3) after notification....”
- b. Including the following sentence in Article 9, paragraph 1: “The Agreement may terminate upon mutual written consent by the Parties.”
- c. Including the following paragraph in Article 9:

In the event that the rates for this Agreement listed in Schedule A to Annex 1 no longer fall within the most recent rate range approved for this product by the Postal Regulatory Commission, this Agreement shall expire sixty (60) days after the effective date of the new rate range unless (i) no later than 30 days prior to the conclusion of such sixty (60) day period, the Parties agree to new rates that are within the approved range, and (ii) the Postal Regulatory Commission does not otherwise find the rates to be inconsistent with applicable legal requirements.<sup>2</sup>

- d. Revising Article 12, paragraph 3, which states that “[e]xcept for liability and indemnification as described in Article 12, paragraph 1....” to state that “[e]xcept for liability and indemnification as described in Article 12, paragraph 2.”
- e. Revising Article 21, paragraph 3, which states that “[Post Name] acknowledges that the entire Agreement, or portions thereof as the USPS determines to be appropriate, will be filed with the U.S. Postal Regulatory Commission with a notice to add it to the competitive and/or market dominant products list.” to state that “[Post Name] acknowledges that the entire Agreement, or portions thereof as the USPS determines to be

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<sup>2</sup> Docket Nos. MC2015-68 and CP2015-99, United States Postal Service Response to Order No. 2639 Concerning Revised Model Agreement for Competitive International Merchandise Return Service Agreements with Foreign Postal Operators (IMRS-FPO), Attachment 1, October 1, 2015, at 3 (IMRS-FPO Revised Model Agreement).

appropriate, will be filed with the Postal Regulatory Commission with a notice to add it to the competitive products list.”

- f. Revising Article 23, paragraph 2, which states that “[t]he Agreement will remain in effect indefinitely, and may terminate upon mutual written consent by the parties, or pursuant to Article 9” to state that “[t]he Agreement will remain in effect indefinitely unless it expires or terminates in accordance with Article 9 hereto.”<sup>3</sup>

- g. Including the following paragraph in Annex 1, Article 5:

In the event that the rates for this Agreement listed in Schedule A to Annex 1 no longer fall within the most recent rate range approved for this product by the Postal Regulatory Commission, this Agreement shall expire sixty (60) days after the effective date of the new rate range unless (i) no later than 30 days prior to the conclusion of such sixty (60) day period, the Parties agree to new rates that are within the approved range, and (ii) the Postal Regulatory Commission does not otherwise find the rates to be inconsistent with applicable legal requirements.<sup>4</sup>

By the Acting Chairman.

Robert G. Taub

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<sup>3</sup> *Id.* Attachment 1, at 6.

<sup>4</sup> *Id.* Annex 1 to Attachment 1, at 3.